Regulation (39)-29-105(2)(a).

The credit computed by this section is apportionable among related parties in proportion to each party's share of gross income. If such credit allowed by this subsection exceeds the tax on severance of oil and gas, no overpayment, refund or other credit shall result from such excess. In the case of a short taxable period, the credit shall apply only if the ad valorem tax is assessed to an accrual basis taxpayer or paid by a cash basis taxpayer during such period. The credit applicable for one period may not be used in another period. The ad valorem tax paid on buildings, equipment and facilities is not to be considered in computing this credit.

Regulation (39)-29-105(2)(b).

An ad valorem tax credit shall not be allowed for any ad valorem tax paid or assessed on oil and gas production exempt from the state severance tax pursuant to 39-29-105(1), C.R.S. Well production may be exempt from the state severance tax in a year where an ad valorem tax is paid for previous production from that well. A credit for ad valorem tax paid on well production is not allowed if the production was exempt from the severance tax in the year the ad valorem tax was paid or assessed.

Regulation (39)-29-105(2)(c).

Taxpayers on a cash basis for oil or gas revenue and expense reporting for federal income tax purposes must claim ad valorem credits based on the date ad valorem taxes are paid to the county clerk. Taxpayers on an accrual basis for oil and gas revenue and expense reporting for federal income tax purposes must claim ad valorem credits in the tax year that contains the accrual date for the ad valorem tax in the state of Colorado. The accrual date is the levy date of the ad valorem tax, which is January 1 of the calendar year following the year of production that is reported to the county assessor.